

SENATE BILL 686

C4, E2

11r0972
CF 11r2540

By: **Senator Astle**

Introduced and read first time: February 4, 2011

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Bail Bondsmen – Bail Bond Premium Payments – Installment Contracts**

3 FOR the purpose of authorizing certain bail bondsmen to arrange to accept payment
4 for the premium charged for a bail bond in installments; providing that if a bail
5 bondsman arranges to accept payment of a bail bond premium in installments,
6 the installment agreement shall include certain information; requiring a bail
7 bondsman to secure a certain affidavit of surety containing certain information
8 under certain circumstances; requiring a bail bondsman, if arranging to accept
9 payment of a bail bond premium in installments, to take certain actions and
10 keep certain records; requiring a bail bondsman to keep certain records in a
11 certain location and to make certain records available to the Maryland
12 Insurance Commissioner for inspection; requiring bail bondsmen to certify to
13 the Commissioner at a certain time the accuracy and truth of certain records;
14 providing certain penalties for certain violations of this Act; providing for the
15 applicability of this Act; and generally relating to the regulation of surety
16 bondsmen.

17 BY repealing and reenacting, without amendments,
18 Article – Criminal Procedure
19 Section 5–203
20 Annotated Code of Maryland
21 (2008 Replacement Volume and 2010 Supplement)

22 BY repealing and reenacting, with amendments,
23 Article – Insurance
24 Section 10–302
25 Annotated Code of Maryland
26 (2003 Replacement Volume and 2010 Supplement)

27 BY adding to
28 Article – Insurance

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 10–309
2 Annotated Code of Maryland
3 (2003 Replacement Volume and 2010 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article – Criminal Procedure**

7 5–203.

8 (a) (1) Subject to paragraph (2) of this subsection, a circuit court may
9 adopt rules setting the terms and conditions of bail bonds filed in that court and rules
10 on the qualifications of and fees charged by bail bondsmen.

11 (2) Notwithstanding any other law or rule to the contrary, if expressly
12 authorized by the court, a defendant or a private surety acting for the defendant may
13 post a bail bond by executing it in the full penalty amount and depositing with the
14 clerk of court the greater of 10% of the penalty amount or \$25.

15 (3) A bail bond commissioner may be appointed to carry out rules
16 adopted under this section.

17 (4) A violation of a rule adopted under this section is contempt of court
18 and shall be punished in accordance with Title 15, Chapter 200 of the Maryland Rules.

19 (5) A person may not engage in the business of becoming a surety for
20 compensation on bail bonds in criminal cases unless the person is:

21 (i) approved in accordance with any rules adopted under this
22 section; and

23 (ii) if required under the Insurance Article, licensed in
24 accordance with the Insurance Article.

25 (b) (1) In the circuit courts in the Seventh Judicial Circuit, a bail
26 bondsman approved under subsection (a) of this section shall pay a license fee of 1% of
27 the gross value of all bail bonds written in all courts of the circuit, if the fee is
28 approved by the court of the county in which it applies.

29 (2) The fee shall be paid to the court as required by the rules of court
30 and shall be used to pay the expenses of carrying out this section.

31 (3) Any absolute bail bond forfeitures collected may be used to pay the
32 expenses of carrying out this section.

33 **Article – Insurance**

1 10-302.

2 [This] EXCEPT AS PROVIDED IN § 10-309 OF THIS SUBTITLE, THIS subtitle
3 does not apply to bail bondsmen that provide bail bondsman services under § 5-203 of
4 the Criminal Procedure Article.

5 **10-309.**

6 (A) THIS SECTION APPLIES TO BAIL BONDSMEN LICENSED UNDER THIS
7 SUBTITLE AND TO BAIL BONDSMEN THAT PROVIDE BAIL BONDSMAN SERVICES
8 UNDER § 5-203 OF THE CRIMINAL PROCEDURE ARTICLE.

9 (B) A BAIL BONDSMAN MAY ARRANGE TO ACCEPT PAYMENT FOR THE
10 PREMIUM CHARGED FOR A BAIL BOND IN INSTALLMENTS.

11 (C) IF A BAIL BONDSMAN ARRANGES TO ACCEPT PAYMENT FOR THE
12 PREMIUM CHARGED FOR A BAIL BOND IN INSTALLMENTS, THE INSTALLMENT
13 AGREEMENT SHALL INCLUDE:

14 (1) THE TOTAL AMOUNT OF THE PREMIUM OWED;

15 (2) THE AMOUNT OF ANY DOWN PAYMENT MADE;

16 (3) THE AMOUNT FINANCED BY THE BAIL BONDSMAN OR THE BAIL
17 BONDSMAN'S INSURER;

18 (4) THE AMOUNT AND DUE DATE OF EACH INSTALLMENT
19 PAYMENT; AND

20 (5) THE TOTAL NUMBER OF INSTALLMENT PAYMENTS REQUIRED
21 TO PAY THE AMOUNT FINANCED.

22 (D) IF A BAIL BONDSMAN ARRANGES TO ACCEPT PAYMENT OF THE
23 PREMIUM CHARGED FOR A BAIL BOND IN INSTALLMENTS, THE BAIL BONDSMAN
24 SHALL:

25 (1) SECURE A SIGNED AFFIDAVIT OF SURETY BY THE DEFENDANT
26 OR THE INSURER CONTAINING THE INFORMATION SET OUT IN SUBSECTION (C)
27 OF THIS SECTION AND PROVIDE THE AFFIDAVIT OF SURETY TO THE COURT;

28 (2) TAKE ALL NECESSARY STEPS TO COLLECT THE TOTAL
29 AMOUNT OWED BY THE INSURED, INCLUDING SEEKING REMEDIES PROVIDED BY
30 LAW FOR THE COLLECTION OF DEBTS; AND

1 **(3) KEEP AND MAINTAIN RECORDS OF ALL COLLECTION**
2 **ATTEMPTS, INSTALLMENT AGREEMENTS, AND AFFIDAVITS OF SURETY.**

3 **(E) (1) THE BAIL BONDSMAN SHALL KEEP AND MAINTAIN THE**
4 **RECORDS REQUIRED UNDER THIS SECTION IN AN OFFICE THAT IS GENERALLY**
5 **ACCESSIBLE TO THE PUBLIC DURING NORMAL BUSINESS HOURS.**

6 **(2) THE BAIL BONDSMAN SHALL MAKE THE RECORDS REQUIRED**
7 **UNDER THIS SECTION AVAILABLE TO THE COMMISSIONER FOR INSPECTION.**

8 **(3) EACH YEAR, EACH BAIL BONDSMAN SHALL CERTIFY TO THE**
9 **COMMISSIONER THAT THE RECORDS REQUIRED TO BE KEPT AND MAINTAINED**
10 **UNDER THIS SECTION ARE ACCURATE AND TRUE.**

11 **(F) IF A BAIL BONDSMAN VIOLATES ANY PROVISION OF THIS SECTION,**
12 **THE COMMISSIONER MAY TAKE ANY ACTIONS AUTHORIZED UNDER § 10-126 OF**
13 **THIS TITLE.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2011.